



Legislative Bulletin.....March 1, 2001

Contents:

Amendments in Order for H.R. 333—Bankruptcy Abuse Prevention and Consumer Protection Act of 2001

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Sensenbrenner: Makes technical and clerical changes only.

No known concerns.

Jackson-Lee: Puts public school expenses on an equal footing with private school expenses and therefore makes a debtor's public AND private school expenses allowable under the means test mentioned in the main text of the bill.

No known concerns.

Green (WI): Prohibits the disclosure of the names of minors for whom information is required to be provided in bankruptcy filing.

No known concerns.

Oxley/LaFalce: Updates and clarifies the definitions of certain financial terms and how they apply to bankruptcy filing. Allows for the Security and Exchange Commission and the Commodity Futures Trading Commission to consult each other on whether the security futures products owned by someone who is both a securities broker and a commodity broker will be treated as commodity contracts or securities during liquidation. Also makes a variety of technical changes.

Chairman Sensenbrenner may object that this falls within the Judiciary Committee's jurisdiction.

Smith (MI): Increases the amount of aggregate debt an individual can have and still be considered a "family farmer" for the purposes of bankruptcy protection from \$1,500,000 to \$2,225,000.

The current limit dates back to 1986. The Smith amendment would adjust the limit to account for inflation.

Conyers/Nadler/Scott/Watt/Jackson-Lee/Waters/Baldwin/LaFalce/Tierney: Includes in a debtor's monthly expenses an allowance to pay for "reasonable" medical expenses not

covered by the debtor's health insurance and an allowance to pay for the care of foster children in the custody of the debtor. Allows for a debtor to overcome a presumption of bankruptcy abuse by showing that the debtor's "reasonably necessary" expenses are greater than those allowed by the IRS or that the debtor's expenses are caused by circumstances beyond the debtor's control. Substitutes "projected disposable income" for the "current monthly income" portion of the means test in the bill. Limits the disclosure of "personally identifiable information" and expands the authority of the Federal Trade Commission and State attorneys general in any case in which "personally identifiable information" is or is proposed to be used, sold, or leased. Exempts motor vehicles from the definition of "household goods" in the means test. Allows for the extension of court deadlines if an extension is justified by circumstances beyond the debtor's control. Makes other adjustments apparently aimed at making exceptions for lower-income bankruptcy filers. Increases the aggregate debt limit for family farmers from \$1,500,000 to \$3,000,000. Also makes a variety of technical changes.

Most, if not all Republican Members are likely to oppose the Conyers et al. amendment. This amendment creates considerable loopholes in the effectiveness of the bill and in many respects runs counter to the bill's original intent of discouraging excessive bankruptcy filings.

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The views expressed in Legislative Bulletin may not reflect the views of all Members of the Republican Study Committee.